



J. TYLER McCAULEY
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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March 28, 2002

TO: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley
Auditor-Controller

SUBJECT: Annual Report on Foundations and Support Groups

On January 4, 1994, your Board adopted requirements governing departmental relationships with foundations and support groups. The adopted procedures, which were also incorporated into the County Fiscal Manual, defined the types of organizations that qualify as "reportable foundations," and established requirements for County departments to monitor, account for and report on their relationships with reportable foundations. These procedures also require County departments to file an annual benefit/cost report with the Board of Supervisors and the Auditor-Controller on each reportable foundation.

On the attachment, we have summarized the information provided by departments in their reports of foundation activities for fiscal year 2000-2001. The data on the attachment is for information only. The data has not been audited by my staff.

Summary

County departments and commissions reported:

- Affiliations with 199 foundations. Fifteen County departments and commissions reported affiliations with one or more foundations, and 24 departments reported no affiliations.
- Receipt of \$48.5 million in tangible benefits from foundations. Seventy-five percent of the reported tangible benefits was from the Museum of Art and the Museum of Natural History.

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- Support provided to foundations totaling \$24.6 million. Eighty-eight percent of the reported support was provided by the two Museums. The Museums reported tangible benefits in excess of services provided.
- 101 foundations that provided more tangible benefits to the County than support received from the County. This includes 67 Public Library Friends/local support groups that were reported on as a group, not individually.
- 17 foundations that received more County support than the tangible benefits they provided to the County. In only one case (the Los Amigos Research & Education Institute, Inc.), was the County costs significant and, in this case, the County receives significant intangible benefits. In several cases, the departments did not identify or quantify the intangible benefits being received from the foundations. In each case, based on the purpose of the foundation, we concluded the department or the County did, in fact, receive intangible benefits from the foundations. Intangible benefits identified included volunteer childcare services, hospital patient and family support/counseling, youth activities, and promoting goodwill in the community.
- Incomplete or no financial data for 81 foundations/support groups. (This includes 48 small neighborhood support groups reported on as a group by the Department of Parks and Recreation and 10 groups reported by the Sheriff.) In most cases, departments reported intangible benefits and minimal or no County costs associated with the relationships.

Conclusion

County departments report that their affiliations with foundations have resulted in tangible and intangible benefits to the County that exceed the amount of support (financial and non-financial) provided to the foundations by the County.

Please call me or have your staff call Mort Carson at (213) 974-0306 if you have any questions.

JTM:DR:MDC
Annual Report on Foundations and Support Groups 2001.doc

Attachment

c: David E. Janssen, Chief Administrative Officer
Violet Varona-Lukens, Executive Officer, Clerk of the Board
Public Information Office
Audit Committee (6)

**Departments Reporting Associations with Foundations or Support Groups
in Fiscal Year 2000-2001**

<u>Department</u>	<u>Number of Groups Reported</u>	<u>Group or Foundation</u>	<u>Departmental Support Provided to Foundation (1)</u>	<u>Tangible Benefits Received by the County (1)</u>	<u>Additional Intangible Benefits Received by County (1)</u>
Animal Care and Control	1	LAC Animal Care Foundation	16,000	N/A	Yes
LAC Arts Commission (Board of Supervisors)	1	Ford Theater Foundation	21,000	1,676,700	Yes
Board of Supervisors	1	Children's Planning Council Foundation Inc.	12,400	0	No
Children & Family Services	1	Youth Opportunities United	68,200	124,400	Yes
Community Development Commission	1	LAC Community Development Foundation	188,000	73,300	Yes
Community and Senior Services	3	Community Services Resource Corp.	8,500	568,300	No
		Friends of Altadena Senior Center	0	18,100	Yes
		Friends of Antelope Valley Senior Center	0	21,000	Yes
District Attorney	1	DA Crime Prevention Foundation	39,600	N/A	No
Fire Department	7	Association of Chiefs	6,100	3,000	No
		Chaplains' Benevolent Fund	N/A	N/A	Yes
		Explorer Scout Program	37,920	N/A	Yes
		Fire Museum Association	N/A	N/A	Yes
		Los Angeles County Lifeguard Association	N/A	350	Yes
		South Bay Surf Club	20	50	Yes
		Volunteer Photographers	640	N/A	Yes
HS -- Harbor/UCLA Medical Center	3	Research and Education Institute, Inc.	535,700	1,836,900	Yes
		Harbor - UCLA Medical Foundation, Inc.	425,300	4,217,500	Yes
		Harbor - UCLA Medical Center Guild	21,515	5,000	Yes

Footnotes:

(1) See Footnote (1) on Page 4.

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HS -- LAC+USC Medical Center	9	Foster Grandparent Program	0	0	Yes
		Health Research Association, Inc	0	541,900	Yes
		John Wesley Community Institute, Inc.	0	0	No
		LAC+USC Medical Center Auxiliary "CARES"	326,000	592,400	Yes
		LAC+USC Medical Center Foundation	0	0	No
		National Charity League	0	102,100	Yes
		National Council on the Aging	0	0	Yes
		Self Realization Fellowship	0	3,500	Yes
		Starlight Foundation	9,000	0	Yes
HS -- MLK, Jr./Drew Medical Center	3	King/Drew Medical Foundation, Inc.	89,000	276,000	Yes
		King/Drew Medical Center - Auxiliary	2,000	4,800	Yes
		MLK, Jr. General Hospital Foundation	13,200	0	No
HS -- Rancho Los Amigos National Rehabilitation Center	2	Rancho Los Amigos Foundation	57,000	240,000	Yes
		Los Amigos Research & Education Institute, Inc.	573,000	4,600	Yes
HS -- Olive View/UCLA Medical Center	6	Canteen Fund	0	8,000	No
		Olive View Medical Center Auxiliary	0	0	Yes
		Olive View/UCLA Education & Research Institute, Inc.	0	0	Yes
		Olive View/UCLA Medical Center Foundation, Inc.	13,000	0	No
		Patient Welfare Fund	0	29,800	No
		Olive View Guild	0	0	Yes
HS -- High Desert Hospital	2	High Desert Hospital Auxiliary	14,100	38,400	Yes
		Professional Staff Association (PSA)	0	2,608	No
HS -- Public Health Programs	2	Public Health Foundation Enterprises, Inc.	0	0	Yes
		John Wesley Community Health Inst., Inc., - Pub Health Wee	0	0	Yes
Mental Health	4	Guardian Circle	71,400	0	Yes
		Hollywood Community Mental Health Foundation	N/A	N/A	N/A
		Latino Behavioral Health Institute	15,400	0	Yes
		National Alliance for Mental Illness - South Bay Chapter	10,000	0	Yes

Footnotes:

(1) See Footnote (1) on Page 4.

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Museum of Art	1	Museum Associates	16,105,000	19,534,000	Yes
Museum of Natural History	1	Museum of Natural History Foundation	5,651,056	17,018,600	Yes
Parks and Recreation	66	Aquatic Foundation of Metropolitan Los Angeles	N/A	N/A	Yes
		Bonelli Park Support Foundation	0	5,000	Yes
		California Arboretum Foundation, Inc.	N/A	N/A	N/A
		Descanso Gardens Guild, Inc.	N/A	N/A	Yes
		Friends of Castaic Lake	0	21,200	Yes
		Friends of Greater Los Angeles Parks	N/A	N/A	No
		Friends of Hart Park Museum	0	8,800	No
		Friends of Jackie Robinson Park	0	15,252	Yes
		Loma Alta Park	N/A	N/A	N/A
		Nature Center Associates of Los Angeles County	0	0	Yes
		Regional Park & Recreation Group (Whittier Narrows)	0	9,400	Yes
		Santa Fe Dam Recreational Area Support Foundation	3,000	2,000	Yes
		Schabarum Park Support Foundation	0	500	Yes
		Small Neighborhood Support Groups--48 groups	N/A	N/A	Yes
		South Coast Botanic Garden Foundation	0	25,000	Yes
		The Friends of Robinson Gardens	12,740	400	Yes
		Friends of Stenmetz Senior Center	0	4,600	No
		Southeast Antelope Valley Youth Sports Association	0	110	No
		Quartz Hill Town Council Park Board Committee	0	3,000	Yes
Public Library	68	County Library Foundation	16,700	214,400	Yes
		Public Library Friends/ Local Support Groups--67 groups	26,000	512,200	Yes

Footnotes:

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Sheriff	15	Industry Sheriff's Youth Athletic League	4,000	0	Yes
		Sheriff's Youth Foundation	174,900	0	Yes
		Sheriff Stations Support Groups --10 groups (2)	N/A	N/A	Yes
		S.T.E.P. 2000 (Crescenta Valley Station)	0	0	Yes
		Canine Rescue	0	1,300	No
		Air Rescue Foundation	0	337,000	No
Superior Court	1	Friends of Child Advocate	300	340,100	Yes
Total Support Groups	<u>199</u>		<u>\$ 24,567,691</u>	<u>\$ 48,441,570</u>	

Footnotes:

(1) In most cases, financial information reported has been taken from the Annual Reporting Forms and other documents provided by the Departments. In some cases, the specific information requested was not reported but other information was available that we were able to use to estimate support provided or benefits received. If the requested information was not reported and no other information was available, we indicated N/A in the appropriate column. Also, in some cases, the reported County costs of supporting a Foundation are more than the tangible benefits received by the County. However, in almost all cases, significant additional intangible benefits are reported. None of the information on this schedule has been audited by County staff.

(2) The Sheriff's stations reported associations with 10 Small Support Groups for Booster Clubs. Incomplete Support and Benefit amounts were reported for these groups.

H:\CAA Shared Working Files\Carson\Foundations\Foundations Reported in 2001 Final.xls\Foundation Schedule

Departments Reporting No Foundations Or Support Groups in FY 2000-01

- 1. Agricultural Commissioner/Weights and Measures**
- 2. Alternate Public Defender**
- 3. Assessor**
- 4. Auditor-Controller**
- 5. Beaches and Harbors**
- 6. Chief Administrative Office**
- 7. Chief Information Office**
- 8. Consumer Affairs**
- 9. Coroner**
- 10. County Counsel**
- 11. Human Resources**
- 12. Internal Services Department**
- 13. Military and Veterans Affairs (1)**
- 14. Office of Affirmative Action Compliance**
- 15. Office of Ombudsman**
- 16. Probation**
- 17. Public Defender**
- 18. Public Social Services**
- 19. Public Works (2)**
- 20. Registrar-Recorder/County Clerk**
- 21. Regional Planning**
- 22. Treasurer and Tax Collector**

- (1) Military and Veterans Affairs reported an association with the Friends of Patriotic Hall. However, for several years, they have also reported that the foundation is inactive.
- (2) Public Works reported association with groups or individuals who volunteer for litter pick-up along County roads. These do not qualify as reportable Foundations.